GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Industries & Commerce Department – Mines & Geology – Central Bureau of Investigation – Anti Corruption Branch – Allegation of Corruption in connection with wrongful loss to AP State Wakf Board on account of lease rentals but also facilitated unauthorized excavation of minor minerals in violation of the terms and conditions of the permit - Sri Ch. Surya Chandra Rao, the then Assistant Director, Visakhapatnam – Draft Article of Charges – Departmental Proceedings under Rule-20 of Andhra Pradesh Civil Services (Classification, Control and Appeal)Rules, 1991 – Article of charges – Issued.

INDUSTRIES & COMMERCE (VIG) DEPARTMENT

G.O.RT.No. 229 Dated: 23-11-2020.

Read the following:

1. From DMG Letter. No.3679627/CBI-VSP/2020; Dt:24.09.2020 along withNo.DPVIS2020/2210/C1/RCs.09714(A)/2016/CBI/VSP. Dt:20.07.2020 of CBI.
2. G.O Rt No.227, Ind & Com (Vig) Dept., dated.23-11-2020.

ORDER:

In continuation of the orders issued under Rule-24 of Andhra Pradesh Civil Services (Classification, Control and Appeal) Rules 1991 in the reference 2nd read above, it is proposed to hold an inquiry against Sri Ch. Surya Chandra Rao, the then Assistant Director of Mines and Geology, Visakhapatnam in accordance with the procedure laid down in Rule-20 of the Andhra Pradesh Civil Services (Classification, Control and Appeal) Rules,1991.

2. The substance of the imputations of misconduct or misbehaviour in respect of which the inquiry is proposed to be held is set out in the enclosed statement of article of charges and statement of imputations in Annexure I&II. A list of documents by which, and a list of witnesses by whom, the articles of charges are proposed to be sustained are also enclosed in Annexures III & IV.

3. Sri Ch. Surya Chandra Rao, the then Assistant Director of Mines and Geology, Visakhapatnam is directed to submit his written statement of defense (WSD) within 10 days from the date of receipt of this order and also to state whether he desires to be heard in person.

4. Sri Ch. Surya Chandra Rao, the then Assistant Director of Mines and Geology, Visakhapatnam is informed that, an inquiry will be held only in respect of those article of charges as are not admitted. He should, therefore, specifically admit or deny each article of charge.

5. Sri Ch. Surya Chandra Rao, the then Assistant Director of Mines and Geology, Visakhapatnam is further informed that if he does not submit his written statement of defense (WSD) on or before the date specified in para-3 above, further action will be taken based on the material available.

6. Attention of Sri Ch. Surya Chandra Rao, the then Assistant Director of Mines and Geology, Visakhapatnam is invited to Rule-24 of the Andhra Pradesh Civil Services (Conduct) Rules, 1964, under which no Government Servant shall bring or attempt to bring any political or outside influence to bear upon any superior authority to further his interest in respect of matters pertaining to his service under the Government. If any representation is received on his behalf from another person in respect of any matter dealt within these proceedings it will be presumed that Sri Ch. Surya Chandra Rao, the then Assistant Director of Mines and Geology, Vishakhapatnam is aware of such a representation and that it has been made at his instance and action will be taken against him for violation of Rule-24 of the Andhra Pradesh Civil Services (Conduct) Rules,1964.

(P.T.O)

7. The receipt of the G.O. may be acknowledged.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT

To
Sri. Ch. Surya Chandra Rao, the then Assistant Director of Mines and Geology, Visakhapatnam through Director of Mines & Geology, Ibrahimpatnam (With a request to serve & return served copy to Government)
The Director of Mines & Geology, Ibrahimpatnam, AP,Vijayawada
SF/SC.

//FORWARDED:: BY ORDER//

SECTION OFFICER

ANNEXURE – I

DRAFT ARTICLE OF CHARGES FRAMED AGAINST SHRI CHINNAM SURYACHANDRA RAO, S/0 LATE VENKANNA, THE THEN ASSISTANT DIRECTOR, DEPARTMENT OF MINES AND GEOLOGY, VISAKHAPATNAM.

Shri Ch. Surya Chandra Rao worked as the Assistant Director, Department of Mines and Geology, Government of Andhra Pradesh, Visakhapatnam during the period between December, 2007 and June, 2012.

While working as the Assistant Director at Visakhapatnam, Shri Ch.Surya Chandra Rao was responsible for processing the applications received for sanction of mining license in and around Visakhapatnam.

Shri Ch.Surya Chandra Rao, as Assistant Director, Mines and Geology Department, Visakhapatnam approved for issue of permits on 10-11-2011 for transporting 22,400 CuM, on 18-02-2012 for transporting 23,100 CuM; and on 25-04-2012 for transporting 22,400 CuM of Earth from Sy.No.493, Devada village and issued permits on 12-12-2011 for 13,300 CuM and on 19-05-2012 for 1,13,400 Cum for dispatch of gravel from Sy.No.493, Devada village knowing very well that Shri K.Srinivasa Raju, the licensee, had no valid lease from AP State Wakf Board and unauthorized excavation was being undertaken by Shri K.Srinivasa Raju and his principal contractor M/s Gangotri Enterprises Ltd., Lucknow, in the said survey number. Thus Shri Ch.Surya Chandra Rao not only caused wrongful loss to AP State Wakf Board on account of lease rentals but also facilitated unauthorized excavation of minor minerals in violation of the terms and conditions of the permit.

Thus, Shri Ch.Surya Chandra Rao exhibited lack of integrity and devotion to duty, thereby acted in a manner unbecoming of a Public Servant in violation of Rule 3(5) of Andhra Pradesh Civil Services (Conduct) Rules, 1964

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT

ANNEXURE – II

STATEMENT OF IMPUTATION AGAINST SHRI CHINNAM SURYACHANDRA RAO, S/0 LATE VENKANNA, THE THEN ASSISTANT DIRECTOR, DEPARTMENT OF MINES AND GEOLOGY, VISAKHAPATNAM.

Shri Ch.Surya Chandra Rao worked as the Assistant Director, Department of Mines and Geology, Government of Andhra Pradesh, Visakhapatnam during the period between December, 2007 and June, 2012.

While working as the Assistant Director at Visakhapatnam, Shri Ch.Surya Chandra Rao was responsible for processing the applications received for sanction of mining license in and around Visakhapatnam.

On 12-11-2008, Shri K.Srinivasa Raju applied for quarry lease for a period for 02 years of the area at Survey No. 493, Devada Village, Pedagantyada Mandal having a total extent of 128.35 acres for extraction of earth and gravel. In the purpose column of the application it is mentioned that the same is going to be used for making ash pond for NTPC simhadri Phase-ll. Subsequently, Shri G.Sivaji, the then Asst. Geologist, O/o the Assistant Director, Mines & Geology, Visakhapatnam submitted an Inspection Report, mentioning that the applied area consists of sand of one meter thickness from the surface, below that ordinary earth/gravel is available upto certain depth. The Geologist further observed that the available sand in the applied area is not useful for cement concrete and recommended a quarry lease for ordinary earth and gravel in 75 acres in Survey No. 493 of Devada(V), Pedagnatyada (M) in favour of the applicant. On receipt of No Objection from the Tahsildar, Pedagantyada, the Deputy Director of Mines issued orders in favour of Shri K.Srinivasa Raju.

Meanwhile on 21-01-2009, Shri M.V.Ramana Rao, then Hon'ble Minister for infrastructure & investments, Ports, Airports and Natural Gas, Government of Andhra Pradesh forwarded a representation of Shri K.Srinivasa Raju dt. 19-01-2009 to AP WAKF Board for issue of permission of quarry lease to an extent of 128.35 acres for a period of one year in Sy.No.493, Pedagantyada Mandal for Phase-ll work of NTPC Simhadri Ash Pond. However, Inspection Report dt.09-02-2009 of Shri Syed Adam Shafi, Inspector - Auditor Wakf, Visakhapatnam revealed that only 75 acres of vacant land containing sand and red soil is available for mining purpose.

Subsequently, on 18-3-2009 the Chairman of Wakf Board negotiated with one Shri M Srinivas Rao of Gangotri Project and fixed the lease rent at Rs.10,000/- per acre per annum non- refundable deposit of Rs.50,000/- and Bank Guarantee of Rs.5 lakhs, subject to other conditions acceptable. During the negotiations Shri M.Srinivasa Rao also assured that they would not cause damage to the Wakf property and will not go into depth but cut the surface only upto land level. Accordingly, vide proceedings dt.19-03-2009 addressed to Shri K.Srinivasa Raju. Visakhapatnam, approval was conveyed for 75 acres only for a period of one year from the date of order. In response to the proceedings, a total amount of Rs.13 lakhs was deposited with AP Wakf Board in the form of cheque/DDiFDR on 13-04-2009. Thereupon, Shri K.Srinivasa Raju was directed to execute a Lease Deed. However, the same was not executed. As per the draft lease deed, the lessee shall not cut land a single centimeter below the land surface and he shall be responsible for any violation of the conditions.

On 25-07-2009, Shri K.Srinivasa Raju gave a representation to AP Wakf Board mentioning that land in Sy.No.493, Devada village is covered by water and it is below sea level. As quarrying earth is not possible, he wanted to change of lease to Sy.No.493, 495 and 496 (part). In this regard, Shri Syed Adam Shafi, Inspector - Auditor Wakfs. Visakhapatnam conducted verification and submitted a report on 05-09-2009 stating that in Sy.No.494, 495 and 496, more earth soil/deposits are available in comparison to 493 and recommended. He had also mentioned that the applicant was lifting earth in Sy.No.493 for the past three months.

Meanwhile, on 13-04-2011, Deputy Director of Mines and Geology (l/c), Visakhapatnam gave quarry Lease License to Shri K.Srinivasa Raju. In Appendix to these proceedings vide clause 3, it was specifically mentioned that the Lessee should not commence the quarrying operations unless the lease deed is executed. Further as per clause 12 of the Appendix, if in the course of quarrying any mineral not covered in the lease is discovered, the Lessee should report such discovery to the Assistant Director, Mines and Geology and obtain permission in case he desires to extract the mineral.

Shri K.Srinivasa Raju also submitted an Affidavit on 04-06-2011 that there is an average thickness of one meter of sand available in the quarry lease granted area, below that required earth is available which can be used for formation of ash pond and undertook that he would excavate the earth by removing the sand, refill the same after excavation of earth/gravel), apart from confirming on 27-05-2011 that he had remitted necessary amounts. Subsequently, Assistant Director of Mines and Geology, Visakhapatnam issued proceedings conveying the sanction of permission for quarrying gravel for a period of one year w e.f. 02-06-2011 to 01-06-2012 from Sy.No.493, Devada village, Pedagantyada Mandal. Finally a lease agreement was executed between the lessor i.e Shri Ch. Surya Chandra Rao, the then Assistant Director, Mines and Geology Department, Govt, of AP and lessee i.e. Sri K.Srinivasa Raju on 02-06-2011. As per the lease agreement the lease holder was permitted for quarrying gravel and the period of lease was 02.06.2011 to 01.06.2012.

Knowing that he was not having valid extension of lease for Wakf Board beyond 17-07-2011, Shri K Srinivasa Raju applied for issue of Permits for Dispatch of 22,400 CuM of earth on 10-11-2011; 13,300 CuM on 12-12-2011; 23,100 CuM on 17-02-2012, 22440,CuM on 25-04-2012 and 1,13,400 CuM on 19-05-2012. Further, knowing that Shri K.Srinivasa Raju was not having extension of lease from AP Wakf Board beyond 17-07-2011, on payment of seigniorage fee, Shri Ch.Surya Chandra Rao, the then Assistant Director and Shri G.Sivaji, then Assistant Geologist, Mines and Geology Department, Visakhapatnam issued Permits on 10-11-2011; 12-12-2011; 18-02-2012; 26-04-2012 and 19-05-2012. In fact Shri Ch.Surya Chandra Rao, while issuing the Proceedings dt.02-06-2011 granting quarrying operations for one year i.e. upto 01-06-2012, he clearly mentioned that it was subject to the condition of extension of permission to quarry issued by CEO, AP State Wakf board, Hyderabad. Infact on 04-4-2012, Shri Ch.Surya Chandra Rao requested Assistant Director (Vigilance), Mines and Geology, Visakhapatnam to take necessary action to check unauthorized quarrying in Sy.No.493, Devada Village. Further, vide Memo dt.19-04-2012 of Deputy Director of Mines and Geology (l/c), Visakhapatnam, Shri Ch.Surya Chandra Rao was informed that the Quarry Lease had expired and he was directed to personally enquire the issue of Quarry Lease v.de Memo. However, he approved the issue of permits for dispatch of gravel to an extent of 22,400 and 1.13.400 CuM on 26-04-2012 and 19-05-2012 Shri G Sivaj, who put up the letter dt.04-04-2012 addressed to the Assistant Director (Vigilance), for signature of Shri Ch.Surya Chandra Rao also signed the permit dt.19-05-2012 for a quantity of 1,13,400 CuM.

The above facts clearly establish that Shri Ch.Surya Chandra Rao and Shri G Sivaji deliberately favored Shri K.Srinivasa Raju in excavating the minor mineral (earth, without valid lease of the land in Sy.No.493, Devada Village and also excavating sand Without valid permit/payment of royalty and transporting the same for usage in construction of Starter Dyke and 2- raising of Ash Dyke - Lagoon - I at NTPC Simhadri, which were undertaken by M/s Gangotri Enterprises Ltd., and its subcontractor M/s Gurukrupa Constructions represented by its Managing Partner Shri K. Srinivasa Raju, the lease holder in violations of the provisions of Mines and Minerals (Development and Regulation) Act, 1957 vis-a-vis the terms and conditions stipulated in the proceedings of Deputy Director. Mines and Geology, Govt. of AP and the Lease Agreement.

Thus Shri Ch.Surya Chandra Rao not only caused wrongful loss to AP State Wakf Board on account of lease rentals but also facilitated unauthorized excavation of minor minerals in violation of the terms and conditions of the permit.

Thus, Shri Ch.Surya Chandra Rao exhibited lack of integrity and devotion to duty, thereby acted in a manner unbecoming of a Public Servant in violation of Rule 3(5) of Andhra Pradesh Civil Services (Conduct) Rules, 1964.

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT

ANNEXURE – III

LIST OF WITNESSES IN SUPPORT OF ARTICLES OF CHARGES AND STATEMENT OF IMPUTATIONS AGAINST SHRI CHINNAM SURYACHANDRA RAO

1. Shri Kandukuri Venkateswara Rao S/o late Kandukuri PothannaSetty, DGM - Field Quality Assurance, NTPC Ltd , Pragathi Bhavan, Kaniplai PO, Koiba District.

2. Shri Thayi Sreedhar, S/o late Mallaiah Setty, Partner, M/s Malleswara Infra Projects, Office - cum - Residence: Flat No.401, Viridis Enclave, Panchavati Colony, Manikcnda, Hyderabad - 500 089.

3. Shri Behera Ravi Kumar, S/o late Vallabha Rao, Royalty Inspector. O/o Assistant Director, Mines and Geology, Govt.of AP, Sampurna Nivas, D.No.2- 37-5, Second Floor, MIG - 17, Sector - 10, MVP Colony, Visakhapatnam 17, R/o FlatNo.401, KVS Residency, III Floor, Near Chinna Polammaba Temple, Sivaji Palem, Visakhapatnam.

4. Sri Abdul Khuddus, S/o late Sattar, Assistant Secretary &lncharge Accounts Officer, Andhra Pradesh Wakf Board, 4th Floor, Imdad Ghar, Opp.Kaleswara Rao Market, Near HPO, Vijayawada - 530 001, R/o D.No.14-4-233, Opp.Markaz Masjid, Kothurivari Thota, 3rd Lane, Guntur - 522 001.

5. Shri Bandaru Srinivasa Rao, S/o Shri Thaviti Naidu, Technical Assistant. O/o AD, Mines and Geloogy (Vigilance) , DNo.2-36-7, Pradarshini, Sector - 10 MVP Colony, Visakhapatnam - 530 017 R/o 53-26-8/10, C/o B.Arundhati, KRM Colony, Ganesh Nagar, Maddilapalem, Visakhapatnam, Permanent address, Mahanti Veedhi, Narayana Puram village and PO, Balijapet Mandal, Vizianagaram District.

6. Shri Lodagala Chetan Kumar, S/o late Satyanarayana, Deputy Thasildar. Gajuwaka, Visakhapatnam R/o D No.1-18, MusalaiahPalem, Near Senora Beach Resorts, Sagar Nagar PO, Visakhapatnam - 530 045.

7. Shri S.N. Subramaniam, Addl. Supdt of Police, CBI, Visakhapatnam.

8. Shri Ch.V. Narendra Deve, Dy. Supdt. of Police, CBI, Visakhapatnam.

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PRINCIPAL SECRETARY TO GOVERNMENT

ANNEXURE – IV

LIST OF DOCUMENTS IN SUPPORT OF ARTICLES OF CHARGE AND STATEMENT OF IMPUTATIONS AGAINST SHRI CHINN AM SURYACHANDRA RAO.

1. FIR in crime No.RC.09(A)/2016-CBI/VSP, dt.10-06-016.
2. FIR in crime No.RC 14(A)/2016-CBI/VSP, dt.14-09-2016.
3. Letter of Award No.CS3530-331-9-C-LOA5153, dt.05-09-2008 of NTPC. Corporate Office issued in favour of M/s Gangotri Enterprises Ltd., for a value of Rs.432,545,536/- for construction of Starter Dyke - Stage - II.
4. Service Purchase Order No.500005551 -025-1035, dt.05-10-2010 of NTPC Simhadri issued in favour of M/s Gangotri EnterprisesLtd., for a value of Rs.16,36,83,565/- for construction of Second Raising of Ash Dyke - Lagoon - I - Stage - I. (M.No. 16/219/3)
5. Lease file relating to Survey No.493 of Devada village of the O/o Assistant Director Mines and Geology Department, Visakhapatnam.
6. File No.43Q/VSP/Rent/2009/SV on the subject Mining and Quaries VSP Dist - Pedagantyada (M) - Devada (V) (M No. 18/568/1)
7. File No.RC 121 A/RC 04/2012 A S No.493 424 illegal quarying at Devada village, Pedagantyada Mandal (M.No.18/512/1)
8. File No.1067/Vg/VsP/2011 on the subject M/s Gangotrhi Enterprises (Ltd) of the O/o AD, Mines &Geology (Vig), Visakhapatnam.

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